

AGREEMENT

BETWEEN

THE TOWNSHIP OF MIDDLETOWN

AND

THE BLUE COLLAR EMPLOYEES
LOCAL 1075 COMMUNICATIONS WORKERS OF AMERICA

January 1, 2015 through December 31, 2019

This Agreement made and entered into this 21st day December 2015, of by and between the Township of Middletown, a Municipal Corporation, located at 1 Kings Highway, Middletown Township, New Jersey, hereinafter known as the "Township", and Communication Workers of America, and its affiliate Local 1075, 1st Avenue, Suite 201, Atlantic Highlands, New Jersey 07716, hereinafter known as the "Union";

WITNESSETH:

Whereas, the Union has presented proof that it represents a substantial majority of a unit composed of all regular full-time and part-time Blue Collar employees working in the Department of Public Works and in the Department of Parks and Recreation of the Township of Middletown; and

Whereas, the Township, by virtue thereof, has recognized the said Union as the sole and exclusive bargaining agent for all regular full-time and part-time Blue Collar employees working in the Department of Public Works and in the Department of Parks and Recreation of the Township of Middletown; and

Whereas, the Township has an obligation pursuant to N.J.S.A.34:13A-1 et seq, to negotiate with the Union, as the representative of all bargaining unit employees and to provide orderly and peaceful procedures for presenting employee grievances and proposals; and

Whereas, the Township, on its own behalf and on behalf of the citizens of the Township, hereby retains and reserves unto itself, without limitation, all powers, rights, authority, duties and responsibilities conferred upon and vested by law; and

Whereas, the exercise of the foregoing powers, rights, authorities, duties, and responsibilities by the Township and adoption of policies, rules, regulations and practices in furtherance thereof and the use of judgement and discretion in connection therewith shall be limited only by the specific and express terms of this Agreement, and then only in conformance with law; and

Whereas, nothing contained herein shall be considered to deny or restrict the Township its rights, responsibilities, and authority under Federal, State, County, or local laws or regulations as they pertain to the Township; and

Whereas, it is the intention of both the Township and the Union that this Agreement be construed in harmony with the rules and regulations of the New Jersey State Department of Personnel:

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

ARTICLE 1 – RECOGNITION

SECTION 1. The Township hereby recognizes the Union as the representative of all regular full-time and part-time employees of the Department of Public Works and the Department of Parks and Recreation of the Township.

SECTION 2. The Township agrees to deduct the initiation fee and/or dues from wages of each employee who is a member of the Union, and to forthwith remit the same to the Union.

SECTION 3. The Township agrees to deduct 85% of the dues assessed to each Union member from the wages of each unit employee who is not a member of the Union, as per N.J.S.A.34:13A-5.5, and to remit the same to the Union.

SECTION 4. The Union agrees to file dues deduction authorization form with the Township prior to such deduction, in accordance with the applicable State Law. The Union agrees to maintain a demand and return system in accordance with the PERC Act, N.J.S.A.34:13-5, et seq. The Union shall indemnify, defend, and save the Township harmless against all claims, demands, suits, or other forms of liability that shall arise out of or by reason of action taken by the Township in reliance upon the salary deduction authorization forms submitted by the Union to the Township.

ARTICLE 2 – HOURS OF WORK

SECTION 1. Each full-time employee shall receive a minimum guarantee of thirty-seven and one-half (37½) hours of work or pay for each week. No guarantee is made that said work will be assigned in the employee's job category, and employees agree to work in other job classifications at no change in rate of pay (except as noted in ARTICLE 19) and the Township agrees to make such assignments on a seniority basis.

The work week shall be from Monday through Friday. Normal hours of work shall be defined as 7:00 a.m. to 3:00 p.m. or 7:30 a.m. to 3:30 p.m., except for the Town Hall custodian, whose hours may be 8:00 a.m. to 4:00 p.m. All hours worked beyond seven and one-half hours (7½) in any one day or 37.5 per week, shall be paid at the rate of time and one-half.

Saturday work shall be paid at the rate of time and one-half the hourly rate for all hours worked in excess of thirty-seven and one-half (37½) that week. When an employee is required to work on Saturday he shall be guaranteed a minimum of three (3) hours work or pay at the time and one-half rate, subject to the above paragraph, and such employee shall be present and available for work for such a minimum time.

Employees reporting to work on a straight time day shall be guaranteed a minimum of seven and one-half (7½) hours of work or pay.

When an employee is required to work on a Sunday or holiday, he shall be guaranteed a minimum of three (3) hours work or pay at the rate of double time on Sunday plus the holiday pay on holiday. If an employee requests permission to leave before expiration of the minimum time, the minimum shall not apply.

For purposes of computing overtime, most time in pay status (i.e. vacation, sick, personal, etc.) shall be considered as hours actually worked; except that sick time shall not count towards hours worked for overtime pay on weekends and holidays except in the case of public safety.

SECTION 2. Lunch period for employees starting at 7 a.m. or 7:30 a.m. is to be 12:00 noon to 12:45 p.m., of which 30 minutes shall not be paid to the employee. Should an employee be required to work through his lunch period because of an emergency, he shall be given an opportunity to take a lunch break not to exceed twenty (20) minutes as soon as practicable, and shall be paid for such lunch break. Employees shall be granted a fifteen (15) minute coffee break in the morning, and shall be paid for such break.

During extended work days during leaf or brush season, lunch will be a half hour from 12:00 noon to 12:30 p.m., with a paid fifteen (15) minute coffee break at 3:00 p.m.

SECTION 3. When an employee is not scheduled for work, and his services are required, he may be called to work and his time shall start when he arrives either at his place of assignment or at the Township Garage, plus one-half hours pay for travel time.

When an employee is called to work under the above conditions, he shall be guaranteed a minimum of three (3) hours work or pay, including travel time. All hours worked outside of the employee's regular hours shall be paid at the applicable rate. If an employee is called in outside of his regular hours, he shall be paid at the regular rate for the time worked during his regular scheduled hours and shall be paid at the time and one-half rate for all hours worked outside his regularly scheduled hours. Township has the right to utilize the employee for the three (3) hour working minimum.

SECTION 4. When an employee is required to work ten (10) hours or more on a normal work day, or a full overtime day, he shall be granted a second one-half hour lunch period at no loss of pay for such lunch period and be granted an additional one-half hour lunch period for each four (4) hours over the above mentioned ten (10) hours, also at no loss of pay for such lunch period.

SECTION 5. Each such employee shall also receive a meal allowance of \$12.00 for each continuous twelve (12) hour time period worked and \$6.00 for every four (4) hours continuously worked thereafter.

SECTION 6. The Union and Township agree to discuss flex-time scheduling but no flex-time will be implemented without mutual agreement between Union and Township.

ARTICLE 3 – HOLIDAYS

SECTION 1. The following shall be recognized holidays for which each employee will be paid seven and one half hours at straight time rate:

- 1) New Years Day
- 2) Martin Luther King's Birthday
- 3) President's Day Monday
- 4) Good Friday
- 5) Memorial Day
- 6) Fourth of July
- 7) Labor Day
- 8) Columbus Day
- 9) General Election Day
- 10) Veteran's Day
- 11) Thanksgiving Day
- 12) Thanksgiving Friday
- 13) Christmas Day

SECTION 2. In the event a holiday named in this contract falls during an employee's vacation period, such employee shall receive an additional days' vacation.

SECTION 3. If any of the holidays enumerated in Section 1 falls on a Saturday, said holiday shall be celebrated on the preceding Friday; if any of the enumerated holidays falls on a Sunday, said holiday shall be celebrated on the following Monday.

ARTICLE 4 – PAID TIME OFF

SECTION 1. Employees begin accruing paid time off (Vacation, Personal days and Sick days) from the date of the employee's permanent hire with the Township. During the first three months of employment (their probationary period), an employee may not utilize paid time off.

SECTION 2. Accrual of Paid Time Off

(A) The vacation accrual schedule for all employees covered under this collective bargaining agreement will be as follows:

In the first calendar year of employment, employees will accrue one (1) day of vacation leave with pay for each month of service.

- 1) 2 to 5 years of service – 12 days' vacation with pay
- 2) 5 years to 10 years of service – 15 days' vacation with pay
- 3) 10 years to 20 years of service – 20 days' vacation with pay
- 4) Over 20 years of service – 20 days' vacation with pay, plus one day of vacation with pay for each year over 20 years of service to a maximum of 30 days

(B) Employees are granted and accrue personal days as follows:

- 1) One (1) personal day in the fourth calendar year of permanent employment with the Township.
- 2) Three (3) personal days per year in their fifth calendar year of permanent employment with the Township.

(C) In the first calendar year of employment, employees will earn one (1) day of sick leave with pay for each month of service. Employees will be credited with fifteen (15) days of sick leave with pay for each calendar year thereafter.

(D) Employees hired prior to 12/31/01 may accumulate a maximum of 150 sick days. However, those employees who had accrued more than 150 sick days as of January 2, 1992 are capped at the number accrued as of that date, if higher than 150.

Employees hired after 12/31/01 may accumulate a maximum of 75 sick days.

SECTION 3. Utilization of Paid Time Off

(A) As time off must be scheduled in accordance with the work requirements of the Township, vacation and personal time should be requested and approved as far in advance as possible of the scheduled time off. At management's discretion, however, vacation and personal time may be approved for use at any time. Senior employees shall be given preference within their classification, and where consistent with work schedules, when selecting vacation periods. All use of vacation and personal time off is subject to Management's prior approval which shall be based upon the work requirements of the Township, but such permission will not be withheld unreasonably or unfairly. Notwithstanding the provisions above, the parties agree to continue the practice whereby employees may utilize up to five vacation days annually on an as needed or same day basis. Such use may be denied in the event of an emergency or unusual need.

- (B) For the purpose of vacation planning, a Department Head may authorize an employee to utilize more vacation time than they have currently accrued. However, the employee must understand that in such an instance that if they leave Township employment prior to accruing any vacation time they have used in this manner, that any days "owed" will be deducted from their final pay check.
- (C) An employee calling in sick should do so as soon as possible. They should speak to their Supervisor, their Division Head, their Department Head, or the department time keeper to inform them of their illness or the illness of their family member. They should speak to someone in person and not leave a phone message. An employee utilizing a sick day for a doctor's appointment should let their Supervisor know as far in advance as possible. The utilizing of sick time is still subject to the approval of an appropriate Supervisor.

SECTION 4. Any employee eligible for vacation, whose employment has terminated for any reason other than disciplinary, shall nevertheless receive in their final paycheck, pay for all vacation time accrued upon their departure.

SECTION 5. Personal days may not be accumulated from year-to-year, but must be used in the year they are earned and will not normally carry over into the next calendar year.

SECTION 6. Vacation time may be accumulated from one calendar year into the next, however, the total may never exceed the equivalent of two (2) calendar years of accrued vacation time. For example, an employee who receives 15 vacation days a year, may carry over only 15 days to the next year. An employee who receives 20 vacation days a year, may carry over only 20 vacation days to the next year. Any unused vacation days above the allowance will be deleted.

SECTION 7. The Township may require proof of illness or injury when there is a reason to believe that an employee is abusing sick leave; an employee has utilized a sick day for a day for which permission to use a vacation or personal day has been denied; and employee has been absent on sick leave for three or more consecutive work days; or an employee has been absent on sick leave for an aggregate of more than 15 days in a 12 month period. Abuse of sick leave can subject an employee to disciplinary action.

SECTION 8. Compensatory Time

- (A) Accrued compensatory time shall be defined as earned/working time and shall be paid by the Township to the employee's estate in the event of the death of the employee.

- (B) The Township, in its sole discretion, may elect to offer employees compensatory time in lieu of overtime pay. The employee, in his/her sole discretion, may elect to accept the comp time offered or be paid the applicable overtime rate. In addition, when working overtime, an employee may opt to take that overtime as compensatory time, accruing up to and being able to keep up to 40 hours of comp time in total.
- (C) Compensatory time shall accrue at the applicable overtime rate. (i.e. regular overtime = time and one-half compensatory time; double time = double compensatory time).
- (D) Compensatory time earned should be scheduled and used within sixty days or as soon as practicable. In the event the employee is unable to utilize accrued comp time, the Township may elect to pay the employee for any remaining comp time at the end of each calendar year. Comp time earned within sixty days of the end of the calendar year may be carried into the succeeding year.

ARTICLE 5 – DEATH IN FAMILY

SECTION 1.

- (A) In case of death in the family, an employee shall be granted three (3) days off with pay for the purpose of mourning.
- (B) "Family" is hereby defined to include relatives by blood, by law, by custom and by extended family relationship. This benefit shall normally only be able to be utilized up to twice per year, but Township Administration may grant additional leave in extraordinary circumstances.

ARTICLE 6 – SENIORITY AND PROMOTIONS

SECTION 1. In accordance with New Jersey Civil Service Commission regulation, newly hired laborer employees shall be considered to be on probation for a period of ninety (90) days. Such employees may, during their probationary period, be terminated at any time during said period without recourse whatsoever. Upon completion of the probationary period, such employee's seniority shall be effective as of the original date of permanent employment.

SECTION 2. All seniority and employee security shall conform to and comply with the applicable statutes and regulations of the New Jersey Civil Service Commission. In the event of layoff, seniority shall prevail consistent with DOP regulations.

SECTION 3. Seniority shall mean the length of continuous permanent service with the Township, regardless of capacity or department.

SECTION 4. It shall be the Township's policy to place promotions on the basis of the employee's ability, fitness (including the employee's work history), seniority, and State Civil Service Certification. It is the intention of the Township to fill vacancies from within the department before hiring new employees, provided employees are available with the necessary qualifications, ability, passing grades and certifications to fill the vacancy. Any dispute arising under this section is to be subject to the grievance machinery.

SECTION 5. One (1) steward shall have, during the respective periods in such capacity, top seniority, except for promotion purposes, and after his periods of service, he shall have a normal seniority status with respect to layoff and recall.

SECTION 6. An employee shall lose all seniority rights for any one or more of the following reasons:

- (A) Voluntary resignation
- (B) Discharge for just cause
- (C) Failure to return to work within five (5) working days after being recalled by registered or certified mail, return receipt requested, unless due to actual illness or accident. The Township may require substantiating proof of illness or accident in such manner and on such forms as the Township deems appropriate.

SECTION 7. Notice of all job vacancies shall be posted on all bulletin boards within the department. Said notice shall include projected starting salary for the position and the wage range.

SECTION 8. In accordance with New Jersey Civil Service Commission regulation, the Township upon recalling, shall do so in the inverse order of the layoff. The Township shall recall the last employee laid off, providing, however, that such employee has the qualifications for the position for which he is recalled. Under no circumstances shall the Township hire from the open market while employees on the recall list, qualified to perform the duties of the vacant position, are ready, willing and able to be re-employed. The last employee laid off from a position will be the first recalled to that position.

SECTION 9. An employee recalled and reinstated to his former position shall receive his former rate of pay or the minimum current wage for his position, whichever is higher.

SECTION 10. Whenever the Township advertises for a position or receives notices of the job vacancies or job promotions for department or inter-department positions, the Township Personnel Officer shall provide all Department Heads with said information, and the Department Head shall post said notices. The Township Personnel Officer will also give notice to the Union President.

ARTICLE 7 – WORK CLOTHES

SECTION 1. The Township will provide the following items on a turn-in basis to the mechanics and other appropriate garage personnel without cost:

- (A) Work gloves as needed, subject to inspection and approval of the Supervisor. (This provision applies to all DPW employees.)
- (B) Summer uniforms with short sleeves, which will be provided by the Township between May 1 and October 1 of each year.
- (C) Winter work clothes and hooded parkas are to be provided by the Township between October 1 and April 30 of each year.

SECTION 2. The Township will provide all other employees with a Uniform Allowance of \$550.00 plus an annual Shoe Allowance of \$150.00 which will also be given to garage personnel. This amount will increase to \$200.00 effective January 1, 2017. All employees receiving a clothing allowance will be expected to adhere to Township Policy regarding uniform and appearance.

SECTION 3. In addition to the existing shoe allowance, if shoes are damaged to the extent of requiring replacement, the Township will assume the cost of one replacement for each 12 months up to a maximum of \$50.00 for each 12 month period. Damaged shoes must be presented in order to receive the replacement benefit.

SECTION 4. The Township will provide newly hired employees, in their initial year or partial year of service, with the following items on a permanent basis without cost:

- (A) Full uniforms consisting of five winter shirts, five summer shirts, five pairs of work pants and a winter jacket.
- (B) Winter work shoes are to be provided by the Township. Work shoes must be steel-toed safety shoes.
- (C) Summer work shoes are to be provided by the Township. Work shoes must be steel-toed safety shoes.
- (D) After the initial year of employment, said newly-hired employee shall comply in accordance with the Uniform Allowance specified in Section 2 above stated for the remaining years of this contract.

ARTICLE 8 – BULLETIN BOARDS

Bulletin boards will be made available to the Union and the Township for the purpose of posting Union notices relating to meetings, dues, entertainment, health and safety, and general Union activities.

All certification of eligibility tests, either entrance or promotional, relating to any title or classification represented by the Union shall be posted on said bulletin board.

ARTICLE 9 – NON-DISCRIMINATION

The Township agrees that it will not discriminate against an employee because of his activities as a member of the Union. There shall be no discrimination against any employee because of his race, color, religious creed, national origin, political affiliation, sex or Union affiliation.

ARTICLE 10 – MAINTENANCE OF EXISTING CONDITIONS

A uniform set of working rules and regulations shall be adopted by all Department Heads and Supervisors, and such written rules and regulations shall be distributed to all employees. It is the intent of the Township and the employee that any presently existing working conditions are to remain in full force and effect except as specifically modified by this agreement.

ARTICLE 11 – GRIEVANCE PROCEDURE

To provide for the expeditious and mutually satisfactory settlement of grievances arising with respect to the interpretation or application of this Agreement, the following procedures shall be followed:

SECTION 1. It is hereby agreed that the Township has the right to discipline for just cause. The Township agrees to advise the Union of any such discipline and the reason therefore at the time of such action. Such discipline shall conform to State Department of Personnel procedures.

SECTION 2. Any aggrieved employee shall present his grievance within seven (7) working days of its occurrence or such grievance will be deemed waived by the Union and the employee.

SECTION 3. In the event of a grievance, the steps hereinafter shall be followed:

Step 1. An employee with a grievance shall first discuss the matter with his immediate Supervisor, whether directly or through the designated representative of the Union for the purpose of resolving the matter informally.

Step 2. If the aggrieved party is not satisfied with the disposition at Step 1, or if no decision has been rendered within five (5) working days after presentation of that grievance, he may file a written grievance within five (5) working days to his Department Head, or in his absence, a designated representative of that Department, and a copy to the Township Administrator. A decision thereon shall be rendered in writing by the Department Head, or his representative, within seven (7) working days.

Step 3. If the aggrieved party is not satisfied with the disposition at Step 2, the matter may then be referred in writing within five (5) working days by the representative of the Union to the Township Administrator. A meeting on the grievance may be held. The Administrator shall render a written decision within fifteen (15) working days of the referral.

Step 4. Either the Union or the Township may, within twenty (20) days of the Administrator's decision, request in writing the Public Employees Relations Commission to appoint an arbitrator who shall have full power to hear and determine the dispute, and the arbitrator's decision shall be final and binding on all parties. The arbitrator's fees shall be shared equally by the Union and the Township. The arbitrator shall have no authority to change, modify, or amend the provisions of this Agreement.

SECTION 4.

- (A) A grievance within the meaning of this Agreement shall be limited to any matter of wages, hours, working conditions, discrimination against any employee represented by the Union because of his race, age, color, sex, religious creed, national origin, political affiliation, or Union affiliation, or any dispute involving interpretation or application of this Agreement.
- (B) The time limit specified in the Grievance Procedure shall be the maximum. However, these may be extended upon mutual agreement by the parties.
- (C) A grievance affecting a group of employees under this Agreement may be submitted by the Union on behalf of said named group at Step 3 of the grievance procedure.
- (D) Nothing herein shall be construed to deny to any employee their rights under the Civil Service Act, N.J.S.A.11A:1-1, et seq.

SECTION 5. It shall be the intentions of the parties to settle all differences between the Township and the Union through the grievance procedures of this Agreement. Therefore, the Township agrees that it will not lock out its employees and the Union agrees that it will not strike, slow-down, or cause a slow-down or engage in any work stoppage or other job action during the term of this Agreement. Any employee who violates the terms of this section shall be subject to discharge.

ARTICLE 12 – JURY DUTY

An employee called for jury duty will be excused from work for the period actually in attendance at court and will be paid his regular daily earnings for such time as he is required to be in attendance at court.

ARTICLE 13 – WAGES

SECTION 1. Effective December 18, 2015 the salary guide will increase by 3.5% and each member not on a step (generally part-timers) and those already at the top step in the salary guide, will receive a 3.5% increase in their base salary effective that same date. In addition, the minimum wage for part-time employees in this unit will be set to \$10.35 effective that date. Each member of the Union will have \$50.00 added to their paycheck on 12/31/15 as a one-time only payment.

SECTION 2. Effective January 1, 2016 the salary guide will be extrapolated by dividing the existing steps in half creating steps representing a value of a 1.75% increase from the previous step as opposed to the 3.5% in the expired contract.

SECTION 3. Effective January 1, 2016 the entire step guide will be increased by 1% and each member of this unit will be advanced one “step” on said guide. Those employees not on a step (generally part-timers) and those already at the top step in the salary guide will receive a 2.75% increase in their base salary effective that same date.

SECTION 4. Effective January 1, 2017 the entire step guide will be increased by 1% and each member of this unit will be advanced one “step” on said guide. Those employees not on a step (generally part-timers) and those already at the top step in the salary guide will receive a 2.75% increase in their base salary effective that same date. In addition, the minimum wage for part-time employees in this unit will be set to \$10.63 effective that date.

SECTION 5. Effective January 1, 2018 the entire step guide will be increased by 1% and each member of this unit will be advanced one "step" on said guide. Those employees not on a step (generally part-timers) and those already at the top step in the salary guide will receive a 2.75% increase in their base salary effective that same date.

SECTION 6. Effective January 1, 2019 the entire step guide will be increased by 0.5% and each member of this unit will be advanced one "step" on said guide. Those employees not on a step (generally part-timers) and those already at the top step in the salary guide will receive a 2.25% increase in their base salary effective that same date. In addition, the minimum wage for part-time employees in this unit will be set to \$10.87 effective that date.

SECTION 7. Employees promoted to a title in a higher grade or temporarily assigned out of title work to a position in a higher grade, will be paid at the step in the higher title which will represent at least a 5% increase over their current salary.

ARTICLE 14 – HEALTH AND SAFETY

SECTION 1. The Township shall not require employees to take out on the streets or highways any vehicle that is not in safe operating condition or equipped with safety appliances prescribed by law. It shall not be a violation of this agreement where employees refuse to operate such equipment, unless such refusal is unjustified.

All equipment, which is justifiably refused by an employee because it is not mechanically sound or properly equipped, shall be appropriately tagged so that the tag is readily observable by other employees, and the tag shall remain thereon until the Maintenance Department has remedied the complaint. The Maintenance Department shall remove the tag upon correction, and the equipment shall thereupon be available for use.

Under no circumstances will an employee be required or assigned to engage in any activity involving dangerous conditions of work or danger to person or property. No employee will be required to perform any activity that is in violation of the Township's Safety Manual, Safety Policy, or in violation of any applicable statute or court order, or in violation of government regulations relating to safety of person or equipment. The term "dangerous condition or work" does not relate to the type of cargo which is hauled or handled.

SECTION 2. All employees will conduct themselves during the course of their work schedules in accordance with the Township Safety Manual, other Township Policies and Procedures regarding safety, and common safety sense.

SECTION 3. Employees shall immediately, or at the end of their shifts, report all defects in equipment. Such reports shall be made on a suitable form furnished by the Township, and shall be made in multiple copies, one (1) copy to be retained by the employee. Such reports shall be made out on company time. The Township shall not require any employee to take out

equipment that has been reported by any other employee as in an unsafe operating condition until same has been approved as being safe by the Maintenance Department and the tag has been removed.

SECTION 4. All complaints regarding an employee's safety shall be handled through the grievance machinery. No employee shall be required to operate unsafe equipment, and further, the Township shall not require an employee to operate any equipment that does not meet the safety requirements of the State of New Jersey.

ARTICLE 15 – LONGEVITY

SECTION 1. In addition to the wage increase in Article 14, employees hired prior to 1/1/95 shall receive a longevity bonus for each of the contract years in accordance with the following schedule:

- (A) After 5 years of service – 3% of salary
- (B) After 10 years of service – 4% of salary
- (C) After 15 years of service – 5½% of salary
- (D) After 20 years of service - \$3,850 or 5½% whichever is greater

SECTION 2. Employees hired after 1/1/95 will be paid a flat dollar amount longevity bonus in accordance with the following schedule:

- (A) After 5 years of service - \$800
- (B) After 10 years of service - \$1,350
- (C) After 15 years of service - \$1,780
- (D) After 20 years of service - \$2,200

SECTION 3. Longevity pay for a calendar year will be spread over the pay periods of the employees during that year. Service for longevity purposes shall be calculated from the date an employee is appointed to a full-time provisional or permanent position. However, a provisional or permanent employee who has continuous service from a temporary full-time appointment shall have his/her longevity calculated from the date of the temporary appointment. Time in the employ of the Township, regardless of department or division, shall be counted. Eligible employees shall qualify for longevity increment on the date of anniversary of his/her employment.

SECTION 4. Employees hired into this unit after the ratification of this contract will NOT be eligible for longevity at any time during their employment with the Township. Current part-time employees that become full-time shall remain eligible for longevity.

ARTICLE 16 – MEDICAL, PRESCRIPTION, AND DENTAL INSURANCE

SECTION 1.

- (A) The Township will provide, in accordance with New Jersey State Law regarding municipal employee health insurance contributions, health insurance coverage as described in general terms herein to cover full family responsibilities including husbands and wives of the employee and the children of employees below the age of 26 years (as required by and in accordance with Federal Law), if said children are dependents and otherwise qualify.
- (B) For all full-time permanent employees, the Township will provide a Point of Service (POS) Plan as well as an HMO Plan with lower contribution premiums. Both plans are described and contained under separate cover, and will not be substantially altered without the express consent and after consultation with the bargaining unit. Co-Pays shall be set at \$10.00 for primary care office visit and \$20.00 for specialist care office visit.
- (C) All members of this unit currently enrolled in the Point of Purchase (PPO) Plan will be moved to the POS Plan effective the 1st of the month following the ratification of this Agreement. Any members so moved will have a standard six-month transition of care from former providers, if any, as needed to complete the transition from the PPO Plan to the POS Plan.
- (D) Employees may in the future choose to switch from POS to HMO coverage (and vice versa) during the open enrollment period which is from November 15th through December 15th annually with an effective date of January 1. Normal change in status, called a “qualifying event,” i.e. marriage or birth of a child, is not required in order to change coverage during this open enrollment period, but is required at any other time during the coverage year.
- (E) Employee contributions to healthcare will be based upon the annual COBRA rates (less 2% administrative fees) for coverage under the Township’s policies and the attached Contribution Percentage Chart, which reflects State Law for Year Four of required employee contributions or 1.5% of their salary, whichever is greater.

SECTION 2. The Township will provide, in accordance with New Jersey State Law regarding municipal employee health insurance contributions, dental insurance coverage with benefits substantially similar or better to that which is currently in effect.

SECTION 3. The Township shall provide, in accordance with New Jersey State Law regarding municipal employee health insurance contributions, a \$15.00 co-pay Prescription Plan for non-generic drugs and a \$5.00 co-pay Prescription Plan for generic drugs, if attending physician approves. Said Plan shall include a mail order component with a \$30.00 brand name and \$10.00 generic co-pay for 90-day supply. The Township will also offer a more restrictive, lower cost Prescription Plan, if practicable.

SECTION 4. All employee members of this unit hired after January 2, 2016 will be restricted to the lower cost Prescription Plan (currently called Benecard 2) when they become eligible for benefits.

SECTION 5. The Township may change insurance carriers, at its option, provided substantially similar benefits are provided. The Township will notify the Union as early as possible of change in insurance carriers.

SECTION 6.

(A) Employees opting out of Township plans will be paid the following annual amounts in a lump-sum payment at the end of each calendar year:

1. \$3200 – Medical Plan
2. \$ 675 – Prescription Plan
3. \$ 225 – Dental Plan

(B) Employees opting out of Township plans must provide proof of coverage from a source other than the Township, to be paid the above amounts.

(C) Employees who opt out of Township plans and subsequently lose their coverage, will with proof of loss of coverage, be able to re-enter the Township plan within 30 days.

SECTION 7. All employees may purchase enhanced dental coverage and/or vision coverage, and will be given the option to purchase same through pre-tax payroll deductions.

SECTION 8. Upon the death of a covered employee, any dependents who are eligible for coverage under the Township plans will be offered the ability to continue such coverage under COBRA as directed by law. The Township will offer Medical Coverage under the rules of the Federal COBRA Law to the spouse of any employee who dies. The surviving spouse of an eligible employee or retiree will have his/her COBRA Medical and Prescription premiums paid by the Township for the 18 months immediately following the death of the employee/retiree.

SECTION 9. If the proposed Cadillac tax becomes effective in 2018 or at any time during the term of this contract, the parties agree to reopen the contract on the subject of health insurance to discuss the impact of the Cadillac tax and employee contributions only. All terms and conditions of the contract shall continue in full force and affect unless and until, and

regardless of what, if any, mutually agreeable changes result from said discussions pertaining to health insurance.

ARTICLE 17 – DISABILITY AND WORKER’S COMPENSATION

SECTION 1. The Township will provide to the employees the State Disability Plan as set forth in the Temporary Disability Benefits Law, N.J.S.A.43:21-25, et seq. Employer and employee contributions to the Disability Plan shall be made in accordance with the applicable provisions of N.J.S.A.43:21-7 et seq.

SECTION 2. As to Worker’s Compensation, the Township will henceforth pay compensation only in accord with the standards and provisions of the New Jersey Worker’s Compensation Laws as to the terms and amount of payments for employees injured on the job.

SECTION 3. An employee who is unable to work due to an on-the-job injury and is being paid a Worker’s Compensation wage replacement benefit, is responsible to be present and available for any and all doctor’s appointments, evaluations, physical therapy sessions, consultations and the like. These employees are not authorized to be working for another employer during such periods of temporary disability, and should not leave the area for an extended period of time unless approved in advance by the Township.

ARTICLE 18 – RETIREMENT

SECTION 1. “Retirement” for the purposes of this article, shall mean the termination of employment by a Township employee who is eligible for, and has applied for, a pension from the State of New Jersey Public Employee’s Retirement System (PERS).

SECTION 2. Sick Time Payout

- (A) An employee who retires with at least twenty (20) years of full-time active service with the Township will receive an accrued sick time bonus payout of no more than \$15,000.
- (B) For those employees, who, by January 1, 2016 had accrued payable sick time equal to more than \$15,000, that amount – in dollars – that they were owed as of that date will be “capped” at that amount and that amount will be the most that they could be paid out for accrued sick time upon retirement.
- (C) If they should subsequently utilize sick time in a manner that reduces the value of said sick time below the January 1, 2016 cap, but still above \$15,000 cap, they will be capped at this new lower amount and will not be able to return to their January 1, 2016 amount.

- (D) Should any employee who had a "cap" beyond \$15,000 utilize their accrued sick time in a manner that reduced the value of that sick time below \$15,000 thereafter their accrued sick time bonus payout will be capped at \$15,000.

If an employee with at least 20 years Township employment chooses to retire on a specific date upon written notice to the Township and application to PERS, he may upon written notice to the Township cease active work prior to that date by subtracting from the number of working days remaining until the given retirement date the total number of the employee's unused accumulated sick days (up to the equivalent dollar amount of their sick time payout cap as noted in this section in paragraphs (A) through (D) and utilize those accumulated sick days as paid terminal leave. Should an employee, at the time of his retirement, have accumulated but unused sick leave, he shall be paid at the rate of 100% of the sick leave accumulated (up to the sick time payout cap as noted in this section, paragraphs (A) through (D) provided, however, the employee has 20 years or more Township employment and separation is of a voluntary nature. Upon said retirement and provided the employee has not previously used and/or applied his remaining accumulated sick leave, the employee shall be paid for his accumulated sick leave at the same rate of pay as he was earning at the time of his cessation of active work. The employee shall give written notice to the Township of the intention to retire prior to January 1st of the effective year. Upon failure to give the required written notice in time, the Township shall not be obligated to make payment until the second pay day after the budget for that year has been adopted.

If a retiring employee with 20 years Township employment utilizes accumulated time as terminal leave, the employee shall not earn any additional sick days, holidays, personal, and vacation days while an employee is running out accumulated earned time pursuant to section 2. Upon ceasing active work on retirement or terminal leave, after 20 years' service, that employee shall accrue, earn, and be paid for sick days, holidays, personal days, and vacation days for that year on a quarterly pro-rata basis. For example, if an employee ceases active work or retires during the first quarter from January 1st through March 31st the employee shall accrue twenty-five (25%) percent of the total above days to be accrued in that year; if the employee ceases work or retires during the second quarter between April 1st through June 30th then the employee shall accrue fifty (50%) percent of the above days; if during the third quarter of a year from July 1st through September 30th the employee shall accrue seventy-five (75%) percent of the above days and if during the fourth quarter of a calendar year, the employee shall accrue one-hundred (100%) percent of the above days.

Additionally, an employee who retires with at least 20 years of service shall receive at the time of retirement payment at the rate of one day per year of Township employment for Loyalty Service Days, except as follows:

- (A) Loyalty days owed to members of this Union are frozen effective December 31, 2016 for all current members.
- (B) No employee hired after the ratification of this contract will be eligible for payment of Loyalty days upon their retirement.

SECTION 3. Upon the death of an employee, the employee's estate shall be entitled to and shall receive from the Township 100% of all accumulated and unused sick leave of the decedent at the same rate of pay decedent was earning at the time of death.

SECTION 4. Employees hired prior to 12/31/01 may accumulate a maximum of 150 sick days. However, those employees who had accrued more than 150 sick days as of January 2, 1992 are capped at the number accrued as of that date, if higher than 150.

Employees hired after 12/31/01 may accumulate a maximum of 75 sick days.

For those employees who are capped at a higher number and use a portion of those days because of illness or injury, they may re-accumulate days until they reach their capped number.

As of the end of each November, an employee who has reached the 150 or 75 day maximum (or is at his/her capped number) will be paid for any of the unused 15 sick days earned in that year at a 50% rate. This amount will be paid before the end of that year and will be included as regular salary for tax purposes. Employees hired before 12/31/2001 who have at least 75 days accrued, may elect to be paid in accordance with the above for days earned in that calendar year.

SECTION 5. Healthcare in Retirement

Upon retirement by an employee after twenty-five (25) years of Township employment and upon such employee collecting pension benefits, or upon retirement of an employee who has attained the age of sixty-two (62) years and with fifteen (15) years of Township employment, an employee shall have his/her medical health insurance coverage paid in full by the Township except as required by State statute regarding healthcare contributions in retirement, until such time as such employee attains the age of sixty-five (65) years. Such employee, at age sixty-five (65) years and thereafter, and so long as the employee is covered by Medicare, shall continue to have the Township's coverage as "secondary coverage."

SECTION 5A.

When calculating entitlement under this section, current full-time employees will receive credit for years of service as part-time employees. Current part-time employees will

receive credit for one-half of their part-time service. However, in no case shall a retiring employee be eligible to retire with health benefits unless at least one-half of their time consists of full-time service. Employees hired after ratification of this agreement will receive credit for full-time service only.

SECTION 6. Subject to the terms set forth in Section 3, hereinafter, and while said employee is receiving said Retirement Medical and Health Benefits (as set forth in Section 1 of this Article), the employee's spouse who is not yet sixty-five (65) years of age shall have his or her Medical and Health Insurance coverage paid in full by the Township except as required by State statute regarding healthcare contributions in retirement. Once the employee's spouse attains the age of sixty-five (65) years and so long as he/she is covered by Medicare, such spouse shall continue to have the Township's coverage as "secondary coverage."

SECTION 7. For employees hired after 1/1/95, SECTION 5 AND SECTION 6 will apply, except that health insurance co-payment provisions under Article 17 for active service will apply during retirement, and that State Law with regard to premium contributions shall also apply.

SECTION 8. The Township will offer Medical Coverage under the rules of the Federal COBRA Law to the spouse of any employee who dies. The surviving spouse of an eligible employee or retiree will have his/her COBRA Medical and Prescription premiums paid by the Township for the 18 months immediately following the death of the employee/retiree.

SECTION 4. All retirees from the date of ratification of this contract who are eligible for healthcare in retirement will receive the healthcare plan or plans, with appropriate co-pays and deductibles, if any, that active members of this unit have available to them.

ARTICLE 19 – APPLICATION OF SENIORITY

Seniority shall prevail in all work assignments in each classification. When there are more employees in each classification than are required, the more senior employees in this classification shall be assigned to perform the duties required, and the less senior shall be assigned other duties.

Where an employee has no work to perform in his respective classification, he may be required to work in another classification, and said assignment shall be on a seniority basis to that classification in which there is available work, but there shall be no change in said employee's rate of pay; provided, however, that if an employee is required to work three (3) consecutive days or more in a higher classification, he will be paid in accordance with the requirements established in Article 14, SECTION 5.

Regular Department of Public Works employees shall first be offered regular and overtime work before non-employees of the Department of Public Works are offered such work. However, this shall not apply to independent contractors employed from time-to-time

by the Department, and the Director shall have freedom to make such decision at his discretion.

ARTICLE 20 – ASSIGNMENT OF OVERTIME

Overtime shall be assigned to the employees as follows:

SECTION 1. Weather-related overtime shall be assigned by use of an Overtime Schedule posted in the Township Garage by seniority. If an employee refuses to report to work, his name will then go to the bottom of the priority list.

SECTION 2. Unique overtime shall be assigned on a rotating basis according to title. The assignment of such overtime shall be done by use of a list/chart which will be posted for Public Works in the DPW Garage and in the Parks Maintenance area. The overtime list shall be continually rotated. The order of the list shall not be changed. The last person worked shall be on the bottom of the list. If an employee is unavailable or refuses to report to work, he shall be considered as having worked for rotation purposes.

SECTION 3. The provisions contained herein shall not apply to those employees who operate certain equipment which cannot be operated by any other employee. These employees shall be assigned overtime when the need for their services arises.

SECTION 4. The Township retains the discretion to assign employees unique overtime regardless of said employee's place on the rotation list if said Township feels that the employee is necessary for the completion of the overtime assignment.

ARTICLE 21 – MANAGEMENT RIGHTS

SECTION 1. The Township retains the right to manage and control its facilities, and in addition, retains the right to hire, promote, transfer, discipline, or discharge employee for just cause.

SECTION 2. Nothing in this article shall be interpreted to deprive an employee of rights guaranteed to him by Federal or State Laws, and all rights enumerated in this Agreement.

SECTION 3. The parties agree that the right to make reasonable rules and regulations shall be considered and acknowledged as the function of the Township except as such right may be specifically modified by the terms of this Agreement.

SECTION 4. The Township has the right to have periodic performance evaluations and meet with the employee for the purpose of evaluating the employee's work performance. The Township will consult with the Union in establishing this performance evaluation process.

ARTICLE 22 – PART TIME EMPLOYEES

SECTION 1. Temporary or seasonal part-time employees are not covered by this agreement or entitled to any benefits of this contract, except where required by State or Federal Law.

SECTION 2. Regular part-time employees will, commencing nine months after hire date, be entitled to begin to utilize vacation, sick, personal and holiday benefits in accordance with the provisions of this contract and as required by State or Federal Law.

SECTION 3. In place of the former accrual method, effective January 1, 2013, part-time employees will earn vacation, sick, holiday, and personal time in accordance with the schedules contained in this contract, but pro-rated on their average hourly work day as compared to a seven and one-half hour work day.

SECTION 4. Regular part-time employees will be entitled to the general wage increases as specified in this contract.

SECTION 5. The Township will maintain a separate in-house file of part-time employees who have applied for full-time employment. Such applications will be considered whenever an entry level full-time position becomes available. Applications on file will be given preference in order of seniority. The Township will endeavor to fill entry-level positions with interested part-time employees before hiring from the outside. All openings remain subject to the posting procedures. Notice of openings and the successful applicant will be provided to the Union for those positions covered by this Union Contract.

SECTION 6. Regular part-time employees are not entitled to other benefits in this contract or Medical and Health coverage.

ARTICLE 23 – UNION ACTIVITIES

SECTION 1. The Township agrees to allow Shop Stewards/Union Delegates the opportunity to attend Union sponsored lectures and seminars. No more than five (5) employees may attend any one (1) seminar or lecture. Employees may be allowed a maximum of four (4) days per year off from work with pay for the purpose of attending these lectures or seminars. No employee will be allowed to be off from work for any more than two (2) consecutive days; the total combined number of days off for Union members to attend Union sponsored lectures or seminars shall not exceed twenty (20) days.

SECTION 2. The employee must give the Township at least one (1) week's notice of his intention to attend a seminar or lecture. The attending of any of these seminars or lectures is

at the employee's or Union's expense. The Township is not responsible for any out-of-pocket expenses incurred by the employee.

SECTION 3. Shop Stewards shall be allowed a reasonable amount of time during working hours to attend to Union business, without loss of pay.

SECTION 4. The Business Agent or his representatives, or any officer of the Union, shall have admission to the Township's premises at any time during working hours for the purposes of ascertaining whether this Agreement is being carried out in good faith or for the purpose of assisting in the adjustment of any grievance. No such representative, however, shall have the privilege of roaming about the premises, but shall first apply to the Department Head for permission to visit, which permission shall be reasonably granted; it being understood, however, that such representatives shall not in any way interfere with the operations of the Municipal Offices or shops during working hours, and this privilege shall be exercised as to keep at a minimum time lost thereby to the Township.

ARTICLE 24 – APPLICABLE LAWS

SECTION 1. Nothing herein shall abrogate or in any way modify any of the rules or procedures of the New Jersey State Department of Personnel, or the provisions of this Agreement to that extent shall be null and void.

SECTION 2. The provisions of this Agreement shall be subject to and subordinate to and shall not annul or modify applicable provisions of Federal, State and Local Laws.

ARTICLE 25 – SAVINGS CLAUSE

Should any part or any provision herein contained be rendered or declared invalid by reason of any existing or subsequently enacted legislation, or any decree of a court of competent jurisdiction, such invalidation of such part or portion of this Agreement shall not invalidate the remaining portion thereof.

ARTICLE 26 – TERMS OF AGREEMENT

SECTION 1. This Agreement shall be effective as of January 1, 2015, and shall remain in full force and effect and expire on December 31, 2019.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed by their duly authorized officers, the day and year first above written.

LOCAL 1075, CWA

Kevin P. Tanno Local Pres.

Thomas [Signature]

Bob Bampton

[Signature]
[Signature]
[Signature]

TOWNSHIP OF MIDDLETOWN

[Signature]
[Signature]

